

5/015/0097

cc: Wayne



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Price Field Office

125 South 600 West

Price, Utah 84501

<http://www.blm.gov/utah/price/>



IN REPLY REFER TO:

3809- (UT020)

UTU-87377

JUN 10 2011

CERTIFIED MAIL #7010-1870-0002-7017-3309

RETURN RECEIPT REQUESTED

DECISION

Ted Thompson
Carnotite LLC
775 East Claybourne Avenue
Salt Lake City, Utah 84106

PLAN OF OPERATIONS APPROVED—CONDITIONS OF APPROVAL

REQUIRED DETERMINATION OF REQUIRED FINANCIAL GUARANTEE AMOUNT

The Plan of Operations (POO) for the Carnotite LLC Mine is hereby approved subject to conditions of approval needed to implement Alternative A of the Carnotite Mine EA so as to prevent unnecessary or undue degradation. Carnotite LLC must conduct operations as described in the Plan of Operations and in accordance with the following conditions of approval:

Conditions of Approval

The following stipulations have been developed to mitigate potential adverse environmental impacts which may result from the permitted action. The terms and conditions of the Carnotite Plan of Operations have been incorporated into the following stipulations of this authorization.

1. Applicable Laws

- a. The holder shall comply with all Federal, State, and local regulations whether or not specifically mentioned within this grant.
- b. The holder shall meet Federal, State, and local emission standards for air quality.
- c. The holder(s) shall comply with the Toxic Substances Control Act of 1976, as amended (15 U.S.C. 2601, et seq.) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR, Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable

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DIV. OF OIL, GAS & MINING

quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized BLM officer concurrent with the filing of the reports to the involved Federal agency or State government.

- d. The operator and their contractors shall ensure that all use, production, storage, transport and disposal of hazardous and extremely hazardous materials associated with the drilling, tunneling, transporting, and mine completion will be in accordance with all applicable existing or hereafter promulgated federal, state and local government rules, regulations and guidelines. All project-related activities involving hazardous materials will be conducted in a manner to minimize potential environmental impacts. In accordance with Occupational Safety Health Administration (OSHA) requirements, a file will be maintained onsite containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds and/or substances which are used in the course of construction, drilling, completion and production operations.

2. Site Specific Stipulations

- a. The adit entrance will be gated and locked at all times, with one exception: when Carnotite personnel are present on-site.
- b. Carnotite's powder magazine will be locked and inaccessible to the public at all times.
- c. At the end of mining activities, yet before reclamation is commenced, Carnotite LLC will submit to the BLM an adit closure design to be approved by the Price Field Office.
- d. Mining facilities (supply trailer and commercial portable toilet) and equipment would be hidden from close-by public roads to the greatest extent possible.
- e. In order to prevent the introduction and spread of invasive weed species into the mining area, corporate mining vehicles traveling between the mining area and outside areas will be power-washed in Green River on a weekly basis. And if noxious weed infestations are found, it will be the responsibility of Carnotite LLC to notify the BLM and treat the infestations at their own expense, which will also require filling out a Pesticide Use Proposal (PUP) before treatment and a Pesticide Application Report (PAR) after treatment.
- f. In the unlikely event that the San Rafael Cactus is discovered within the proposed quarry, work shall cease immediately and the Price Field Office Manager or their representative shall be notified directly. The operator would then receive guidance on how to proceed. (A plant inventory shows there is no special status plant or T&E species with the project area.)
- g. In the event that paleontological resources are discovered within the proposed mine site, work shall cease immediately and the Price Field Office Manager or their representative shall be notified directly. The operator would then receive guidance on how to proceed.

- h. Carnotite will passively survey the existing access road and mining area for distressed wildlife. If distressed wildlife is noticed the BLM will be notified within 48 hours of the sighting.
- i. A post reclamation radiation survey will be conducted and compared to pre-mining conditions. All areas of the mine will be reclaimed to less than or equal to current radiation levels, and all waste material greater than 500 microrems will be removed from the surface and either stored below ground or transported with the rest of the mined ore and milled.
- j. Reclamation activities will consist of regrading the entire 3-acre site to approximate the original, pre-mining era contour, utilizing both waste rock currently on-site and waste rock produced from future mining activities. All such areas would then be reseeded with the seed mixture given in the Project Seed Mix table below (from the EA) as directed by DOGM and BLM.

Project Seed Mix		
Common Name	Scientific name	Pounds PLS/Acre
GRASSES		
Galleta grass	<i>Hilaria jamesii</i>	3.0
Indian ricegrass	<i>Achnatherum hymenoides</i>	3.0
Bottlebrush Squirreltail	<i>Sitanion hystrix</i>	1.5
FORBS		
Palmer penstemon	<i>Penstemon palmeri</i>	0.3
Scarlet globemallow	<i>Sphaeralcea coccinea</i>	0.3
SHRUBS		
Forage kochia	<i>Kochia prostrata</i>	0.5
Winterfat	<i>Ceratoides lanata</i>	2.5
		Total 11.1

- k. The mine access road, located between EM1029 and the mine site, shall continue to be regularly maintained to avoid erosion or the creation of a muddy, braided road. The road will not be flat-bladed, but crowned and ditched to maintain a dry running surface. After mining, the road will be brought back to current conditions unless other-wise directed by the authorized official.
- l. No camping in connection with the operation would be allowed.
- m. If the site is inactive for three consecutive years and no use is scheduled, reclamation procedures will be initiated; and if the site is inactive for five consecutive years, reclamation procedures will be initiated.
- n. Reclamation shall be considered complete when determined by the authorized BLM Officer.

- o. No cross-country travel is permitted.
- p. The holder shall inform the authorized BLM officer within 24 hours of any accidents on federal lands.
- q. The holder will contact the authorized BLM officer 180 days prior to termination of the right-of-way to arrange a pre-termination conference. This conference will be held to review the termination provisions of the grant and reclamation plans.
- r. The holder will post a Bond in an amount to be determined by the BLM and the Utah Division of Oil, Gas and Minerals as assurance of Carnotite LLC's intention to conduct reclamation of any surface disturbance caused during this proposed mining program.

Financial Guarantee

Based on your reclamation cost estimate, the BLM review of the cost estimate, and consideration of the above conditions of approval, the required financial guarantee amount is hereby set at \$19,300.00 for the reclamation of the Carnotite Mine. You must provide a financial guarantee in this amount using one or more of the acceptable financial guarantee instruments listed under 43 CFR 3809.555. The Utah Division of Oil, Gas and Mining (UDOGM) will serve as the lead agency, working cooperatively with the BLM, in determining the surety amount. The UDOGM will work directly with you to secure the proper form and amount of surety. You must receive written notification from the UDOGM approving your reclamation surety before you may begin any surface disturbing operations.

Approval of a Plan of Operations by BLM does not constitute a determination regarding the validity or ownership of any unpatented mining claim involved in the mining operations. Carnotite LLC is responsible for obtaining any use rights or local, state, or federal permits, licenses or reviews that may be required for the operation.

This decision also constitutes concurrence with Carnotite LLC's use and occupancy of public lands as described in the approved Plan of Operation. Carnotite LLC must maintain compliance with the Use and Occupancy regulations at 43 CFR 3715.2, 3715.2-1, and 3715.5 throughout the duration of the approved Plan of Operations. Concurrence by BLM on Carnotite's proposed use and occupancy is not subject to State Director Review, but may be appealed by adversely affected parties directly to the Interior Board of Land Appeals as outlined in enclosed BLM Form 1842-1.

Appeal of the Decision

If you do not agree and are adversely affected by this decision, you may request that the Utah BLM State Director review this decision. If you request a State Director Review, the request must be received in the Utah BLM State Office (440 West 200 South, Suite 500, Salt Lake City, Utah 84145-0155), no later than 30 calendar days after you receive or have been notified of this decision. The request for State

Ted Thompson
Carnotite LLC
Decision Record

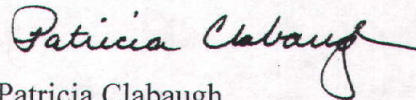
Director Review must be filed in accordance with the provisions in 43 CFR 3809.805. This decision will remain in effect while the State Director Review is pending, unless the State Director grants a Stay. If you request a Stay, you have the burden of proof to demonstrate that the Stay should be granted.

If the State Director does not make a decision on your request for review of the decision within 21 days of receipt of the request, you should consider the request declined and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the BLM State Office to determine when BLM received the request for State Director Review. You have 30 days from the end of the 21-day period in which to file your Notice of Appeal with this office (125 South 600 West, Price, Utah 84501), which we will forward to IBLA.

If you wish to bypass a State Director Review, this decision may be appealed directly to the IBLA in accordance with the regulations at 43 CFR 3809.801(a)(1). Your Notice of Appeal must be filed in this office within 30 days from receipt of this decision. As the appellant, you have the burden of showing that the decision appealed from is in error.

If you have any question, please call Chris Conrad at 435-636-3667.

Sincerely,



Patricia Clabaugh
Field Manager

Enclosure:

Form 1842-1, Information on Taking Appeals to the Interior Board of Land Appeals.

cc: Opolonia Abeyta, Utah State Office (923)

UDOGM
Attention. Paul Baker
1594 W. North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

INFORMATION ON TAKING APPEALS TO THE INTERIOR BOARD OF LAND APPEALS

DO NOT APPEAL UNLESS

1. This decision is adverse to you,
AND
2. You believe it is incorrect

IF YOU APPEAL, THE FOLLOWING PROCEDURES MUST BE FOLLOWED

1. NOTICE OF
APPEAL.....

A person who wishes to appeal to the Interior Board of Land Appeals must file in the office of the officer who made the decision (not the Interior Board of Land Appeals) a notice that he wishes to appeal. A person served with the decision being appealed must transmit the *Notice of Appeal* in time for it to be filed in the office where it is required to be filed within 30 days after the date of service. If a decision is published in the FEDERAL REGISTER, a person not served with the decision must transmit a *Notice of Appeal* in time for it to be filed within 30 days after the date of publication (43 CFR 4.411 and 4.413).

2. WHERE TO FILE

NOTICE OF APPEAL.....

U.S. Department of the Interior
Bureau of Land Management
Tonopah Field Office
P.O. Box 911

WITH COPY TO
SOLICITOR...

Office of the Solicitor, Regional Solicitor
Pacific Southwest Region, U.S. Department of the Interior
2800 Cottage Way, Room E-1712
Sacramento, CA 95825

3. STATEMENT OF REASONS

Within 30 days after filing the *Notice of Appeal*, file a complete statement of the reasons why you are appealing. This must be filed with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. If you fully stated your reasons for appealing when filing the *Notice of Appeal*, no additional statement is necessary (43 CFR 4.412 and 4.413).

WITH COPY TO
SOLICITOR.....

Office of the Solicitor, Regional Solicitor
Pacific Southwest Region, U.S. Department of the Interior
2800 Cottage Way, Room E-1712
Sacramento, CA 95825

4. ADVERSE PARTIES.....

Within 15 days after each document is filed, each adverse party named in the decision and the Regional Solicitor or Field Solicitor having jurisdiction over the State in which the appeal arose must be served with a copy of: (a) the *Notice of Appeal*, (b) the Statement of Reasons, and (c) any other documents filed (43 CFR 4.413).

5. PROOF OF SERVICE.....

Within 15 days after any document is served on an adverse party, file proof of that service with the United States Department of the Interior, Office of Hearings and Appeals, Interior Board of Land Appeals, 801 N. Quincy Street, MS 300-QC, Arlington, Virginia 22203. This may consist of a certified or registered mail "Return Receipt Card" signed by the adverse party (43 CFR 4.401(c)).

6. REQUEST FOR STAY.....

Except where program-specific regulations place this decision in full force and effect or provide for an automatic stay, the decision becomes effective upon the expiration of the time allowed for filing an appeal unless a petition for a stay is timely filed together with a *Notice of Appeal* (43 CFR 4.21). If you wish to file a petition for a stay of the effectiveness of this decision during the time that your appeal is being reviewed by the Interior Board of Land Appeals, the petition for a stay must accompany your *Notice of Appeal* (43 CFR 4.21 or 43 CFR 2801.10 or 43 CFR 2881.10). A petition for a stay is required to show sufficient justification based on the standards listed below. Copies of the *Notice of Appeal* and Petition for a Stay must also be submitted to each party named in this decision and to the Interior Board of Land Appeals and to the appropriate Office of the Solicitor (43 CFR 4.413) at the same time the original documents are filed with this office. If you request a stay, you have the burden of proof to demonstrate that a stay should be granted.

Standards for Obtaining a Stay. Except as otherwise provided by law or other pertinent regulations, a petition for a stay of a decision pending appeal shall show sufficient justification based on the following standards: (1) the relative harm to the parties if the stay is granted or denied, (2) the likelihood of the appellant's success on the merits, (3) the likelihood of immediate and irreparable harm if the stay is not granted, and (4) whether the public interest favors granting the stay.

Unless these procedures are followed, your appeal will be subject to dismissal (43 CFR 4.402). Be certain that all communications are identified by serial number of the case being appealed.

NOTE: A document is not filed until it is actually received in the proper office (43 CFR 4.401(a)). See 43 CFR Part 4, Subpart B for general rules relating to procedures and practice involving appeals.

(Continued on page 2)

43 CFR SUBPART 1821--GENERAL INFORMATION

Sec. 1821.10 Where are BLM offices located? (a) In addition to the Headquarters Office in Washington, D.C. and seven national level support and service centers, BLM operates 12 State Offices each having several subsidiary offices called Field Offices. The addresses of the State Offices can be found in the most recent edition of 43 CFR 1821.10. The State Office geographical areas of jurisdiction are as follows:

STATE OFFICES AND AREAS OF JURISDICTION:

Alaska State Office -----	Alaska
Arizona State Office -----	Arizona
California State Office -----	California
Colorado State Office -----	Colorado
Eastern States Office -----	Arkansas, Iowa, Louisiana, Minnesota, Missouri and, all States east of the Mississippi River
Idaho State Office -----	Idaho
Montana State Office -----	Montana, North Dakota and South Dakota
Nevada State Office -----	Nevada
New Mexico State Office -----	New Mexico, Kansas, Oklahoma and Texas
Oregon State Office -----	Oregon and Washington
Utah State Office -----	Utah
Wyoming State Office -----	Wyoming and Nebraska

(b) A list of the names, addresses, and geographical areas of jurisdiction of all Field Offices of the Bureau of Land Management can be obtained at the above addresses or any office of the Bureau of Land Management, including the Washington Office, Bureau of Land Management, 1849 C Street, NW, Washington, DC 20240.

(Form 1842-1, September 2006)